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Committee on Resources

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Mr. Chairman, Congressman, Congressman Pearce

Friends and members of the audience

My name is Joe Stell.

My mailing address is 22 Colwell Ranch Road, Carlsbad, New Mexico, 88220. My home is 32 miles southwest of Carlsbad, New Mexico at the base of the Guadalupe Mountains, near Slaughter Canyon.

My home and business phone numbers is (505) 785-2188, when it works.

I am a State Representative for House District 54 of the State of New Mexico. I have served in this position for 18 years at the end of the year, and I will have two more years to serve after the completion of this term.

I have lived in legislative district 54, and in Eddy County New Mexico for 76 years. I graduated from Carlsbad High School and earned a BS degree in Language Arts from University of New Mexico, and an MS degree in School Administration. I have 50 hours of college credit beyond my MS.

My wife of 56 years, Verna, and I have been involved with ranching for 50 years in Eddy County. We are members of NM Cattle Growers and NM Farm and Livestock Bureau and other social and civic organizations.

Today, my comments are from my general experience as a legislator, school administrator, rancher and longtime citizen.

The Endangered Species Act was 30 years old December 28, 2003.

A total of 1,288 plants, insects, birds, herps and mammals are listed as deserving protection. Billions of dollars have been spent with only a handful of success stories.

Let me interject at this point that I consider myself somewhat of an environmentalist. I love wildlife, deer, javelina, quail, doves and other wildlife. My wife and I often watch out our back window while eating breakfast at two thirty-five gallon containers that dispense grain to hundreds of birds, doves, quail, sparrows and numerous other species, rabbits and ground squirrels. The birds ate 47-50 lb. sacks of grain last year. (That's 1 Ton 350 lbs.)

Also, deer, coyotes, porcupines, javelinas and other wildlife enjoy the supplemental feed provided by farmers and ranchers to their livestock.

The extreme environmentalists and environmental groups are creating difficulties in our nation. In New Mexico up until October 2002, 134 lawsuits had been filed since 1995.

It is my personal opinion that the agenda of the more aggressive organizations is to bring the United States into economic downfall. They started with the northern spotted owl in the northwest and shut down logging in the National Forests of the Northwest with the loss of thousands of jobs.

Next, came the Mexican Spotted Owl in the Southwest, and the community of Reserve lost it's logging industry. Wilfred Estrada had worked as a logger 34 years and was put out of work and lost his means of support. Other loggers with similar longevity met the same fate. The environmentalists started trying to shut the industry down in 1987 and by 1992 it was all over, according to Dan Fryor, former logger and Catron County Manager.

In 2001, the US Forest Service awarded a salvage contract for timber in Catron County that had been burned in 1998. An environmental group sued the US Forest Service, even though the fire occurred 3 years before.

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It was primarily a rural problem until the urban communities became concerned when the Rio Grande Silvery Minnow required water from the San Juan / Chama diversion that belonged to the Middle Rio Grande Conservancy District and the City of Albuquerque and others. In regard to the Rio Grande Silvery Minnow, the lawsuits have come at a significant cost to taxpayers. The city residents (IE Albuquerque) must pay higher fees on services to allow for lawyers litigation fees to protect what is already theirs. Members of the Middle Rio Grande Conservancy District, as well as other political subdivisions, have faced the same problem.

The water supply of Carlsbad Irrigation District was similarly affected, as was the Pecos River Compact with the slow release of water from Sumner Dam to provide a constant flow of water for the Pecos River Blunt-Nose Shiner.

And the story goes on. The logging, mining and agricultural industries have all been attacked by the extreme environmentalists by the use lawsuits. When the industries affected don't contribute to the state tax base by paying corporate taxes, and their employees paying personal income taxes, it is a loss of income to the state. Other citizens and companies have to make up the loss by paying higher taxes and fees.

The oil and gas industry is also in the picture with the Dune Sagebrush Lizard and the Aplomado Falcon on Otero Mesa and the Lesser Prairie Chicken in the east central NM. Oil and gas pay approximately 25% of our state budget.

A percentage of interest earned from NM Severance Tax permanent fund goes into the State's general fund. This significant amount saves each taxpayer \$600 to \$700 per year. Ninety plus percent of the money that goes into the severance tax permanent fund comes from the oil and gas industry. Therefore, if oil and gas production is curtailed due to lawsuits from environmentalists or designations of habitat for endangered species purposes, the loss of severance tax will be a hidden cost to the citizens of New Mexico. This is not to say that oil and gas exploration should not be controlled or limited. In many instances, exploration can occur with controls that will not be a detriment to endangered species.

What can be done?

Suggestions:

- 1. Adjust (amend) the ESA to give more weight to the human factor (the effect on people).
- 2. Give more concern to the economic impact that a designation of habitat might have on a community or individual.
- 3. Put limits on the cost of recovering a species (IE \$500,000.00 per wolf is too much).
- 4. Make it more difficult to file a lawsuit.
- 5. In the case of water rights, require the interested parties to buy or lease legal water rights, don't allow confiscation by litigation. The public sector operates under this procedure.